PLUS
BUSINESS
Group W's Staniar talks strategy

- FCC affirms pre-empt right; tier rate reg out
- BET's Johnson and (phone) co. cop D.C. franch
- Western Union sends DBS a message: No go
- Worldwide players probe issues at EXPO '84

CableVision™

The news and features weekly of the cable television industry July 23, 1984

Cable's wildcatters

CableVision

This Week in Cable, pages 14-22 July 23, 1984, Volume 9, Number 47

FCC AFFIRMS PRE-EMPT RIGHT

The Federal Communications Commission last week denied all appeals of its ruling of last year which denies localities the right to regulate so-called "expanded basic" or pay tiers. The action came in the wake of last month's Supreme Court decision affirming FCC's pre-emption rights.

WASHINGTON SELECTS FRANCH

District Cablevision Inc., headed by Black Entertainment Television President Bob Johnson, is chosen to bring cable to Washington, D.C., following a selection process in which his company was often number two.

GILL SUES TBS OVER CNN

Gillcable filed suit against Turner Broadcasting in Federal Court last week, alleging antitrust violations in Turner's marketing methods. The company is seeking an injunction to prevent Turner from canceling Gill's carriage of CNN.

WESTERN UNION DROPS DBS PLANS

Western Union decides to drop out of the race to provide DBS, saying the industry has been too slow to gel. However, the satellite carrier plans to monitor market conditions, including interest by potential programmers. Western Union's move comes two weeks after CBS abandoned its plans to enter the market.

PROGRAMMING 28

The HiLife Channel, headed by former Playboy Channel leader Paul Klein, started its service July 6 with adult entertainment product, and will add pay-per-view feature films late this month. In Massillon, Ohio, an operator is using advertising revenue to fund local origination.

MARKETING/ADVERTISING 30

NBC's Madison, Wis., affiliate, WMTV, charged that cable subscribers confused it with MTV: Music Television in a telephone coincidental survey conducted by Madison Cable Network. The ensuing flap contributed to Arbitron's decision to discontinue basic telephone coincidentals for cable, and to re-think its methodology for cable qualitative coincidentals.

BUSINESS 47

Broadcast teletext is coming to Los Angeles, and the city's cable systems are helping to promote it. In what is thought to be an industry first, cable will carry a full-screen version of the station's text service throughout the Olympics.

GOVERNMENT & LAW 52

The California Cable TV Association clarified its reasons for opposition to H.R. 4103. The new measure, one critic says, virtually precludes support of the bill.

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About the cover

Artist Clark Tate captures cable entrepreneurs (left to right) Steve Simmons of Simmons Communications, Vern Milligan of Advanced Communications and Tom Johnson of Cablevision Services in this portrait.

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PLUS

Building a cable empire

A new breed of system operator is tackling the challenges of building a cable empire with systems serving smaller pools of subscribers. Senior Editor Victoria Gits profiles some of these fisty entrepreneurs. Also, Burt Staniar of Group W Cable talks about his company and the industry in an interview with Editor-in-Chief Victor Livingston.

CableVision

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BPA

Building a cable

Small-system pioneers: (left to right) Steve Simmons, Simmons Communications; Vern Milligan, Advanced Communications; and Tom Johnson, Cablevision Services.

empire

Shaking money trees and knocking on doors, today's entrepreneurs are 'true believers' in the cable gospel.

By Victoria Gits

Here's how to be a cable tycoon, 1980's style:

- Work for a major MSO for five to 20 years. Without a track record, you'll be dead in the water.
- Know how to get your hands on "other people's money." Borrow from the bankers and sell some limited partnerships.
- Look for a cable system in an upscale community adjacent to a growing metropolis.
- Find one that is undermarketed, underpenetrated, underdeveloped and sells for six to eight times cash flow.
- Think small: 2,500 to 10,000 subscribers in a system is a good number to start.
- Get ready to travel, because you're going to do a lot of shopping.
- Picture your map of America once you've built your empire—the map that has red push-pins where your systems are. Think of the names—names like Magnolia, Milton and Viola, Del., Folly Beach, S.C., or Walnut Cove and Yadkinville, N.C.

The cable entrepreneur of the '80s sports a decidedly different profile from those of the '40s and '50s—but the spirit is the same.

Some are old-timers, such as Vern Milligan and Tom Johnson, both formerly with Daniels & Associates; they are now joint venturing systems in Louisiana, California and Ohio. (Monty Rifkin, Gus Hauser and Bill Bresnan fall into this category, too).

There are newcomers such as Jim Wiesenburg, Steve Simmons, Jim Vaughn and Jack Woodruff—guys who were tutored in the trenches of Viacom, Tribune and Cox Communications. They fell in love with the business; but they wanted to be on their own.

These aren't the bootstraps electronics wizards, graduates of the University of World War II. We're talking about MBAs, lawyers, Ivy Leaguers and accounting aces. They have heard the gospel of the prophets of marketing—and they are true believers.

Personal fulfillment

The new breed of entrepreneur started after the great wave of franchising was already over in 1982. Wheeling and dealing one's way into the business—not wining and dining city councils—was their game.

A representative story is that of Steve Simmons, age 37. Raised in Roslyn Heights, N.Y., Simmons loved politics, campaigned for the Kennedys, went to Cornell University and Harvard Law School. During a summer break, he studied film at UCLA. His first job was as a professor of communications law and constitutional law at the University of California in Irvine. In 1977, he was invited to join the domestic policy staff of the Carter White House at the behest of chief domestic policy adviser Stewart Eizenstat, whom Simmons had met while working in the Humphrey campaign.

He wound up in the employ of Doug Dittrick at Douglas Communications from 1980 to 1982; then he began to ponder the next move.

It was a matter of "personal fulfillment and satisfaction," Simmons says. "I always wanted to be head of my own company."

He teamed up with old friend Stu Moldaw of U.S. Venture Partners, a venture capital firm, and in May 1982 set up shop in the dining room of his Manhattan apartment. It took nearly a year to make the first purchase: St. Johnsbury, Vt., (11,000 subscribers).

After Vermont were Delaware/Maryland systems (25,000 subscribers in some 30 small towns and parts of two counties). New York systems, added in July 1983, are headquartered in Owego and serve 12,000 subscribers and some 18 small towns (see chart). Recently purchased are systems in Barre, Vt. (5,100 subscribers) and Cambridge, Md., (4,600).

The main source of funds is venture capital and bank debt. Buys are leveraged 2 to 2.7 times. Primary equity backing is from Allstate Insurance Co. and U.S. Venture Partners. Lender banks are the Bank of New England and Connecticut National Bank, Hartford.

Simmons is a diligent shopper. He looked at 60 to 70 systems to find the first three, and 125 to find all five. Some of the items on his 28-point checklist are: limited channel capacity (to be expanded); at least five years to go on the franchise; a minimum of 40 homes per mile; and plenty of room for advertising, tiering and packaging.

Once Simmons acquires a system, he markets it like crazy. Little Cambridge, Md., for example, with 4,600 subscribers and 5,500 homes passed, now has four different packages, including "Value Pack," "Triple Pack" and "Four-Star Premium Pack."

Simmons opened a cable store in March, adding Disney, Playboy and Showtime ($10 each) and a satellite tier (ESPN, Cable News Network, Nickelodeon and The Nashville Network). Pay penetration went from 28 percent to 58 percent from February to June, he says.

Simmons would like to double the size of his empire, but prices are higher than they were a year ago. "Good deals are harder to find," he says.

Finding partners

Like Simmons, a group based in Atlanta has spotted opportunity in small towns and apartment developments neglected by the majors. New to system ownership, but not new to the business, they formed Enstar Communications Corp. to manage and finance systems by limited partnerships—a la Glenn Jones of Jones Intercable.

Jack Woodruff, 27, is senior vice president. He has a bachelor's degree in accounting and an MBA in finance. While working for Arthur Anderson in Atlanta, he did consulting work for Cox Cable. At Cox he met Jim Vaughn, a veteran of Viacom. The president of Enstar is Bob Graff, 51, a man with an exceptional career in public real estate limited partnership offerings. John Secrest, 35, vice president of engineering, has put in 11 years of experience with Cox Cable.

The company got off the ground in January 1983, has 33 employees and 6,300 subscribers in three management clusters serving 11 small towns. The average density is 40 homes per mile; basic penetration averages 46 percent.

Just to make things complicated, Enstar's dealings involve some 35 different franchise authorities. Isn't that a mountain of paperwork? "We like to call it an administrative opportunity," Woodruff jokes.

Enstar systems are in bedroom communities of larger cities: Winston-Salem, High Point and Charlotte. All are 35-channel systems, and four are SMATV systems in Texas apartment buildings.

Most of the properties were financed by sales of limited partnerships and bank debt (First Union Bank, Charlotte, N.C., and Northwestern Bank, North Wilksboro, N.C.).

Enstar is organized as a corporation with 40 shareholders. The company also is the corporate general partner named in the prospectus seeking limited partners.

"Raising money is hard as hell," says Woodruff, who now has six salespeople on board and a network of 10 broker-dealers across the country. But Enstar has been fairly successful—having sold a claimed $4 million in partnerships since February. The minimum unit is $2,500, and the average investment is $6,000.

Acquisition Activity

Simmons Communications

Systems	Acquisition Date	# of Subscribers
St. Johnsbury, Vt.	May 1983	11,000
Delaware/Maryland Group Harrington, Del. (30 towns)	June 1983	25,000
New York Group Owego, N.Y. (18 towns)	July 1983	12,000
Barre, Vt.	Feb. 1984	5,100
Cambridge, Md.	Feb. 1984	4,600

Advanced Communications (Vern Milligan) / Cablevision Services (Tom Johnson)

Systems	Acquisition Date	# of Subscribers
Rancho San Diego	1981	2,000*
Bedford, Mich. (near Toledo)	May 1984	3,500
Sunbelt CableVision (St. Charles Parish, La.)	June 1984	3,800

* 2,000 homes under construction

Enstar Communications

Systems	Acquisition Date	# of Subscribers
Folly Beach, S.C.	June 1983	
Pageland, S.C.	June 1983	
Walnut Cove, N.C.	Aug. 1983	2,400
Yadkinville, N.C.	Sept. 1983	
Snow Hill, N.C. (5 towns)		
Kershaw, S.C.	1984	3,500
Hollywood-Ravenal, S.C.		
Charleston County, S.C.		
Surry County, N.C. (near Yadkinville)		
Chesterfield, S.C. (near Pageland)	1984	2,300

Woodruff admits there is much competition out there for partnership money: "You have to have a clean deal. The general partner can't make too much money."

He believes Enstar has an edge over similar funds in that cash distributions are divided 99 percent to partnership investors and 1 percent to the general partners, until the original contribution is returned. After that, distributions are divided 85 to 15 percent. In the case of a sale, the 15 percent interest of the general partner is subordinate to full return of the original contribution of the limited partners.

Enstar aims to purchase all systems in the latest program entirely for cash. The theory is that while a no-leverage strategy lessens the total buying power, none of the systems' cash flow is spent on debt service. According to the prospectus, this increases cash distributions to investors and returns their original investment in a shorter period of time.

The Enstar program is unusual in that it is an income program, in addition to being a tax shelter, and is designed to distribute cash proceeds—if there is a profit—on a quarterly basis after the offering termination date.

Pushing it

Woodruff's strategy is to find small town systems that are undermarketed and underpenetrated, and to apply the usual steps: door-knocking, phone-ringing and door-hanging. "You have to go out and push it," he says—increase the cash flow, the value of the system, and sell for capital gains. Enstar aims for

20,000 subscribers by the end of the year; but Woodruff thinks prices are a bit high right now, given that interest rates are going up. But that also presents an opportunity: Operators who are highly leveraged will be forced to sell, so buyers will have more to choose from.

He's optimistic about the business, but has words of caution for those who would follow: "They can't expect to make a killing. It depends on how hard they are willing to work. . . . It's a harder business than it used to be. . . . A lot of the sex and glamour has gone out of it."

For the team of Milligan-Johnson, finding money to buy cable systems is the least of their worries. "I make a few phone calls," says Milligan, "and the deal's done. They say 'OK' first. Then they ask, 'Where's the deal?'"

It might have something to do with the fact that alone or as a duo, these two have an enviable track record.

Tom Johnson, 44, has been in cable since graduating from college in 1960. He learned the business from Fred Lieberman and Fred Weber (TeleSystems) and was a close associate of Bill Daniels from his early days. He was president of the Cable Television Administration and Marketing Society (CTAM) from 1979 to 1980.

Vern Milligan, 45, worked for IBM, Cox Cable in San Diego and for Bill Daniels as a broker for six years. In 1976, he left Daniels to take over operations of two Florida systems that he bought in 1975 with Johnson and the late Dick Zell, a Daniels veteran.

The sale of the Florida systems to Jones Intercable in 1981 provided the owners with a comfortable income and some time off—but it wasn't long before they were in business again.

Thus far, they have collected a total of 11,000 subscribers in three systems:

- Rancho San Diego, acquired in 1981, 2,000 subscribers, 2,200 homes passed and 2,000 homes under construction.
- Bedford, Mich. (near Toledo), acquired May 22, 1984, 3,500 subscribers, 5,500 homes passed.
- Sunbelt Cablevision Ltd., near the New Orleans, La., airport, 3,800 subscribers, 6,700 homes passed.

The partners also secured in May a $7.1 million line of credit from Merchants National Bank & Trust Co. of Indianapolis.

Enstar Communications Corp.'s officers and directors: Bottom row (left to right) Bob Graff, Jack Woodruff and Jim Vaughn; top row (left to right) Steven Lovinger, John Secrest and Wesley Dobbs. "Raising money is hard as hell," says Woodruff.

After looking at 60 to 70 deals in the last year, Milligan has come to the conclusion that "there is more junk on the market than there was a year ago . . . like systems with 10,000 subscribers and 12 headends scattered from one end of Texas to the other."

Milligan likes to structure a deal so the limited partner is matched dollar for dollar with the general partner. "Typically, limited partners lose 20-50 percent of the investment in carried interest, placement fees and acquisition fees," he says. Milligan takes a maximum 5 percent carried interest, includes five to 18 partners in each deal and finances two-thirds of the buy with bank debt—at floating rate interest, about 1½ percentage points over prime.

The partners do not have grandiose plans. A total of 50,000 subscribers sounds to them like a comfortable goal. Johnson enjoys the pace, putting the pieces together and having the time to spend with his family. "If you can't work for Bill Daniels," he says,"it's always better to be on your own."

Bootstrapping it

Jim Wiesenberg, 31, of Winooski, Vt., has an MBA from Harvard and experience in Viacom Cable operations in San Francisco, marketing MDS in Cleveland and programming for Showtime in Manhattan. He wound up as "number two guy" at PlayCable from 1980 until its demise in 1983.

What he wants to do now is run his own business, preferably a cable business, and preferably one in Vermont.

Although there exists no cable system too small to be unworthy of Wiesenberg's attention, he has yet to close a deal. He's looking at some new franchise situations and purchases, but competition is stiff and it's hard to find reasonable terms: "One (operator) wanted a nonrefundable deposit in the six figures."

Undaunted, Wiesenberg keeps plying the bankers. "They want to see you hanging by your bootstraps," he says. "I've been called an interesting piece of horseflesh." He's discovered along the way that law firms are "a hidden source of venture capital."

In the meantime, Wiesenberg has taken a part-time job as a sales representative for Mailcom, and makes full use of his collection of credit cards. His advice to would-be cable entrepreneurs: "Develop the business plan before you leave your present job, and after that, make sure you have a source of income that is not too time consuming. . . . Know who your number two person is, and be sure you're ready to be number one. That's the hardest thing—to convince someone you're willing to be the boss."■

CABLE STATS

Film product comparison—July

Film	Pay Networks					Distributor
The Adolescents					MAX	Warner Bros.
African Adventure		ST				Satori
All At Sea		ST				MGM/UA
American Pop					MAX	Columbia
Amityville II: The Possession					MAX	DeLaurentis
Angel of H.E.A.T.		ST			(MAX)	Carolco
Animal House	HBO				MAX	Universal
Around the World In 80 Days					MAX	Warner Bros.
The Atomic Cafe					MAX	Picture SRC
Bad Boys	HBO				(MAX)	AFD/EMI
Beach Girls					MAX	Crown International
Bear Island	HBO					Selkirk Films Ltd.
Becket			(TMC)		MAX	E & M Enterprises
Beloved Infidel			TMC	(HTN)		20th Century-Fox
Best Friends			TMC		MAX*	Warner Bros.
Best Little Whorehouse in Texas	HBO	(ST)	TMC			Warner Bros.
Betsy	HBO		(TMC)		(MAX)	Lorimar
The Big Brawl	HBO		(TMC)		(MAX)	Warner Bros.
Bill					MAX*	A. Landsburg
Blade Runner		ST			MAX	Embassy
Boarding School		ST				Atlantic
Brigadoon			TMC			MGM/UA
Brimstone and Treacle			TMC*			MGM/UA
Can Can			TMC			20th Century-Fox
Cannery Row					MAX	MGM/UA
Carousel			TMC		(MAX)	20th Century-Fox
The Challenge		ST				CBS
Cheech and Chong's Next Movie			TMC			Universal
Cheech and Chong's Still Smokin'		(ST)	TMC*			Paramount
Choice of Arms			TMC			Wrightwood
Comancheros			TMC	(HTN)	MAX	20th Century-Fox
The Compleat Beatles				HTN	(MAX)	Universal
The Conqueror			TMC			Universal
Contract on Cherry St.					MAX	Columbia
Creepshow		(ST)			MAX	Warner Bros.
Cujo		(ST)	(TMC)		MAX*	Warner Bros.
Curtains	(HBO)	ST				Simcon
Days of Heaven			TMC			Paramount
The Day the Earth Stood Still				HTN*	MAX*	20th Century-Fox
Dead End		ST			(MAX)	S. Goldwyn
Diplomatic Courier				HTN		20th Century-Fox
Dog Day Afternoon		(ST)	TMC			Warner Bros.
Easy Money	HBO				MAX	Orion
Eddie and the Cruisers	HBO		TMC			Embassy
80 Steps to Jonah	HBO			HTN		Warner Bros.
Eros America IV					MAX	N/A
Escape from New York					MAX	Embassy
A Farewell to Arms			TMC*	(HTN)		20th Century-Fox
A Far Out Fourth		ST				MPC

Film	Pay Networks					Distributor
Fast Times at Ridgemont High		ST*				Universal
My Favorite Year		ST				MGM/UA
Ffolkes			TMC	HTN	(MAX)	Universal
Fighting Back	(HBO)		TMC			Paramount
Flashdance		(ST)	TMC*			MGM/UA
Freedom					MAX*	Time Life Film
From Here to Eternity			(TMC)		MAX*	Columbia
Goin' All The Way	HBO	ST				Shapiro
Going In Style		ST	(TMC)		MAX*	Warner Bros.
Greased Lightning			(TMC)		MAX*	Warner Bros.
The Happy Hooker			(TMC)		MAX*	Cannon
The Happy Hooker Goes To Washington		(ST)	(TMC)		MAX	Cannon
Heads or Tails			TMC			Castle Hill
Heartaches	HBO					Seven Arts
Heaven's Gate			TMC*			MGM/UA
Homework			TMC			Universal
HonkyTonk Man	HBO		(TMC)	(HTN)	(MAX)	Warner Bros.
The Horizontal Lieutenant		ST				MGM/UA
Hot T-Shirts					MAX	Wrightwood
Huckeberry Finn		ST*				MGM/UA
Humongous		ST				Embassy
Ice Castles				HTN	MAX*	20th Century-Fox
I Love Melvin		ST				MGM/UA
The Inglorious Bastards					MAX	Alive Enterprises
In Love and War				HTN*	(MAX)	20th Century-Fox
Island of Adventure		ST*	(TMC)			Goldwyn
I, The Jury		ST				20th Century-Fox
Jaws III	HBO		TMC	HTN	MAX	Universal
Joysticks			TMC			Simcon
Jekyll and Hyde Together Again		(ST)	TMC			Paramount
Joan of Arc					MAX*	Gutman
Joseph/Andrews			TMC			Paramount
A Kid For Two Farthings					MAX	Janus
The Kidnapping of the President					MAX	Viacom
King of Hearts			TMC			MGM/UA
Kiss Me Goodbye	(HBO)	(ST)	(TMC)	HTN		20th Century-Fox
Kiss me Kate		(ST)	TMC			MGM/UA
Klondike Fever					MAX	Torrington
Krull					MAX	Columbia
La Cage Aux Folles					MAX	MGM/UA
The Last American Virgin	HBO	ST	TMC		(MAX)	Viacom
The Last Unicorn			TMC			AFD
The Last Waltz			(TMC)	HTN		MGM/UA
Love at First Bite		(ST)			MAX*	Viacom
Lovesick	HBO*	(ST)	(TMC)			Warner Bros.
Lovespell			TMC			Castlehill
Man Who Saw Tomorrow			(TMC)	HTN	(MAX)	Warner Bros.
The Mango Tree		ST				Satori

Dudley Moore is a psychiatrist and Elizabeth McGovern is his patient, in Lovesick *on HBO and Showtime/The Movie Channel.*

CABLE STATS

Film	Pay Networks					Distributor
Melanie	HBO		TMC			Simcom
Midsummer Night's Sex Comedy		ST*	(TMC)		MAX	Warner Bros
Mister Scoutmaster					MAX	20th Century-Fox
The Missionary			TMC			Columbia
Moonlighting			TMC		MAX	Universal
Monty Python Live at the Hollywood Bowl			TMC		MAX	Handmade
Mr. Hobbs Takes a Vacation				HTN	(MAX)	20th Century-Fox
Mr. Imperium		ST				MGM/UA
Mr. Mom	HBO					20th Century-Fox
The Mudlark				HTN*		20th Century-Fox
My Fair Lady	(HBO)		(TMC)	HTN		CBS
The Nesting			TMC			Castle Hill
Night of the Juggler					MAX	GCC Films
Nightshift	HBO	(ST)			(MAX)	Warner Bros
North to Alaska			TMC	(HTN)	MAX	20th Century-Fox
The Octagon	HBO					ACG
Octopussy	HBO	ST	TMC	HTN	MAX	MGM/UA
An Officer and a Gentleman	HBO	ST	(TMC)			Paramount
Once in Paris			TMC			CastleHill
The Pirates of Penzance	(HBO)	(ST)	TMC*	(HTN)		Universal
Pretty Baby			TMC			Paramount
Prince Valiant				HTN		20th Century-Fox
Professor Wagstaff's Time Machine		ST*				Satori
The Promise				HTN	(MAX)	Universal
Puberty Blues			TMC		(MAX)	Universal
Real Glory		ST				Goldwyn
Reds		ST	TMC*			Paramount
The Reluctant Debutante		ST				MGM/UA
Rio Bravo			TMC		MAX	Warner Bros
Rio Conchos				HTN*		20th Century-Fox
Risky Business	HBO					Warner Bros
The Road Warrior		ST			MAX	Warner Bros
Rock Show				HTN		Marimax
Saddle the Wind		ST				MGM/UA
Savannah Smiles	(HBO)	(ST)	TMC			Embassy
The Sea Wolves		ST				Lorimar
Sherlock Holmes and the Hound of Baskervilles		ST*				Gutman
Sign of Four		ST*	(TMC)			PSO
Singing Nun		ST*				MGM/UA
Six Weeks					MAX	Polygram
Smokey and the Bandit Pt. III	HBO	ST	TMC	HTN		CBS
Soldiers Three		ST				MGM/UA
Somewhere in Time		ST		HTN	MAX	Universal
The Sound and the Fury				(HTN)	MAX	20th Century-Fox
Squeeze Play		ST*	(TMC)			Troma
Stars and Stripes Forever					MAX	20th Century-Fox
Starstruck				HTN		Cinecom
Staying Alive			TMC			Paramount
Still of the Night	(HBO)				(MAX)	MGM/UA
Sting II	(HBO)	(ST)	(TMC)	HTN		Universal
Strange Brew	HBO		TMC			MGM/UA
The Stripper					MAX	20th Century-Fox
Stroker Ace	(HBO)	ST*	(TMC)	(HTN)	MAX*	Warner Bros
Summer Camp		ST				Film Gallery
The Survivors	HBO	ST	TMC			Columbia
Swamp Thing	HBO	ST			(MAX)	Embassy

Film	Pay Networks					Distributor
Table for Five			(TMC)	HTN*		CBS
Tempest	HBO			(HTN)		Columbia
10		ST			MAX	Warner Bros
Tender Is The Night			TMC	(HTN)	(MAX)	20th Century-Fox
There's No Business Like Showbusiness			TMC	HTN*	(MAX)	20th Century-Fox
Things Are Tough All Over	HBO		TMC*			Columbia
Things In Their Season					MAX	Viacom
Time Walker		ST*		(HTN)		Wescom
The Three Faces of Eve					MAX	20th Century-Fox
Tom Horn			TMC		MAX	Paramount
To Race in The Wind					MAX	Viacom
Tough Enough	(HBO)	(ST)	TMC	(HTN)		20th Century-Fox
The Towering Inferno			TMC*		(MAX)	20th Century-Fox
The Toy		ST	TMC*	(HTN)	(MAX)	Columbia
Trench Coat	HBO					N/A
My Tutor	HBO	ST	TMC			Universal
Up in Smoke			TMC			Paramount
Valley Girl					MAX	Atlantic TV
Vigilante		ST				Films Around the World
Visit to a Chief's Son			TMC			MGM/UA
Wavelength	HBO					N/A
When Willie Comes Marching Home				HTN*		20th Century-Fox
The Wilderness Family					MAX	Simcom
Willy Wonka and the Chocolate Factory		(ST)	(TMC)		MAX	Warner Bros
Without A Trace	(HBO)	(ST)	(TMC)	HTN*		20th Century-Fox
The World According to Garp		(ST)	TMC*		(MAX)	Warner Bros
Young Doctors In Love		ST	(TMC)		(MAX)	ABC
X-Ray		ST*				Cannon
Yellowbeard					MAX	Orion

Cable Network Legend:
HBO-Home Box Office
ST-Showtime
TMC-The Movie Channel
HTN-Home Theater Network
MAX-Cinemax

- Networks in parentheses indicate carriage in February, March, April, May, June and/or July.
- An asterisk indicates that the film is a carry-over from February, March, April, May, June and/or July.
- In total, 185 films appear on the July schedules of HBO, Showtime/The Movie Channel, Home Theater Network and Cinemax. Of those titles, during the last six months, 2 films have played on all five services, 10 films have played on four of the five services, 25 films on three services and 53 on two services. Ninety-five were unduplicated.
- The motion picture distributor with the most titles on pay TV this month is 20th Century-Fox with 28, followed by MGM/UA with 23 and Warner Bros. with 21.
- *Octopussy* with Roger Moore is featured on HBO's July program guide cover. Cinemax is featuring *Drawl* starring James Coburn and Kirk Douglas. Jaws 3 and Glen Campbell on its program guide cover this month. The comedy series, *Brothers*, along with Faeries Tale Theatre and Octopussy are featured on Showtime's program guide cover. On The Movie Channel's program guide cover is John Travolta starring in *Staying Alive*. Home Theatre Network's program guide cover features Jackie Gleason from *The Sting II*.

Top 20 systems

Rank	Location	Operator	Basic subs	
1	San Diego, CA	Cox Cable	243,570	(5/84)
2	Woodbury (Long Island), NY	Cablevision Systems	225,000	(3/84)
3	Manhattan, NY	ATC	187,900	(12/83)
4	Houston, TX	Warner Amex	184,414	(4/84)
5	San Antonio, TX	Rogers Cablesystems	183,780	(5/84)
6	Florida Division*	ATC	179,800	(12/83)
7	East Orange, NJ	MacLean Hunter	162,330	(5/84)
8	Cincinnati area, OH	Warner Amex	137,090	(4/84)
9	Wayne, NJ	UA Cablesystems	130,413	(5/84)
10	Tulsa, OK	United Cable	115,259	(5/84)
11	Audubon, NJ	NYT Cable	114,623	(5/84)
12	Atlanta Metro Area, GA	Prime Cable	110,165	(5/84)
13	Rochester, NY	ATC	108,600	(12/83)
14	Erie County, NY	Prime Cable Corp	106,798	(5/84)
15	Baltimore County, MD	Comcast Cable	106,700	(5/84)
16	Tidewater (Norfolk), VA	Cox Cable	105,080	(5/84)
17	San Jose, CA	Gill Industries	102,233	(5/84)
18	Austin, TX	ATC	98,900	(12/83)
19	Honolulu, HI	ATC	97,100	(12/83)
20	Toledo, OH	Buckeye Cablevision	96,251	(5/84)

Source: Subscriber counts are provided by MSOs and individual systems to Titsch Communications Inc.

Top 20 MSOs

Rank	Multiple system operator	Basic subs	
1	Tele-Communications Inc.	2,798,000	(3/84)
2	American Television and Communications Corp.	2,400,000	(12/83)
3	Group W Cable	1,988,352	(4/84)
4	Cox Cable Communications Inc.	1,503,402	(5/84)
5	Storer Cable Communications	1,413,000	(3/84)
6	Warner Amex Cable Communications Inc.	1,382,983	(4/84)
7	Times Mirror Cable TV Inc.	972,703	(5/84)
8	Continental Cablevision	875,000	(5/84)
9	Newhouse Broadcasting	843,649	(5/84)
10	Viacom Cablevision	753,900	(5/84)
11	United Cable Television Corp.	663,000	(5/84)
12	Sammons Communications Inc.	594,000	(5/84)
13	Rogers Cablesystems Inc.	539,848	(5/84)
14	Cablevision Systems Development Co.	502,000	(4/84)
15	Comcast Cable Communications	461,000	(5/84)
16	Telecable Corp.	411,740	(5/84)
17	Jones Intercable	390,785	(5/84)
18	Heritage Communications Inc.	390,403	(5/84)
19	Capital Cities Cable Inc.	356,690	(5/84)
20	UA Cablesystems Corp.	345,549	(5/84)

Source: Subscriber counts are provided by MSOs to Titsch Communications Inc.